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U. S. EXPORTS LESS COTTON IN 1958-59

U. S. exports of cotton (all types) in the 1958-59 season (August-July) totaled 2,790,000 running bales. This was less than half the 5,717,000 bales exported in 1957-58.

Exports in July 1959 were 129,000 bales, compared with 236,000 bales in June, and 468,000 bales in July 1958.

Comparable figures in 500-pound gross weight bales and destinations of the 1958-59 exports will be published in Foreign Crops and Markets next week.

DENMARK'S CIGARETTE CONSUMPTION UP IN 1958

Danish cigarette consumption, at a record 4.3 billion pieces in 1958, was 8 percent above the 4.0-billion level of 1957. Consumption of cigarillos last year increased enough to result in a net increase in the "cigar-cigarillo" category. Use of smoking and cut tobacco also rose. There was a slight increase in snuff consumption and a moderate drop in chewing tobacco.

TOBACCO PRODUCTS: Denmark, consumption as indicated by tax-paid withdrawals, 1955-58

Tobacco products	1955	1956	1957 1/	1958 1/
Cigarettes (million pieces)	3,787	3,900	4,000	4,300
Cigars and cigarillos (million pieces)	828	840	831	869
Smoking and cut tobacco (1,000 pounds)	5,844	5,655	5,512	5,677
Chewing and snuff (1,000 pounds)	1,744	1,660	1,574	1,556

1/ Subject to revision.

RHODESIAN TOBACCO GROWERS URGED TO EMPHASIZE QUALITY

The president of the Rhodesian Tobacco Association has written to all flue-cured tobacco producers urging restraint in planting for the 1959-60 season. He points out that while the large 1958-59 crop may be marketed satisfactorily, increased production in 1960 could well result in marketing difficulties.

The president of the association stresses that Rhodesian flue-cured growers should concentrate on quality improvement. Particular efforts should be made to produce the grades desired by the most important markets--the United Kingdom and Australia.

CANADIAN TOBACCO EXPORTS RISE

Canada's exports of unmanufactured tobacco, at 21.5 million pounds for January-April 1959, were one-third larger than the same period in 1958. Flue-cured tobacco accounted for 95 percent of total exports in the 4-month period of 1959, with Burley making up most of the remainder. The United Kingdom, as, usual, was the principal export market this year. Trinidad and West Germany were the next most important outlets.

U. S. CIGARETTE EXPORTS
CONTINUE TO RISE

From January through June 1959, U. S. cigarette exports totaled 9,076 million pieces, up 4.2 percent from the 8,711 million exported during the first half of 1958.

Exports to the Netherlands Antilles were up 45.8 percent and those to Kuwait were up 44.4 percent from the first half of 1958, while shipments to Venezuela declined 18.5 percent. Exports to Morocco, France, the Netherlands, Hong Kong, Malaya, and Colombia were up 10 percent or more. Exports to Canada, Cuba, and West Germany increased slightly.

The value of U. S. cigarettes exported was $4.29 per 1,000 pieces, compared with $4.22 per 1,000 in January-June 1958.

CIGARETTES: U. S. exports, by principal countries of destination, January-June 1957-59

Destination	January-June		
	1957	1958	1959
	Million pieces	Million pieces	Million pieces
Canada	153.6	147.6	148.8
Panama, Republic of	287.7	108.4	123.4
Cuba	194.5	205.7	211.9
Netherlands Antilles	138.2	311.8	454.7
Colombia	18.8	132.9	154.2
Venezuela	1,063.6	1,415.4	1,153.3
Ecuador	210.4	215.4	184.8
Peru	106.6	128.2	116.4
Sweden	306.1	277.8	248.7
Denmark	239.9	210.0	209.2
Netherlands	238.4	203.8	226.3
Belgium-Luxembourg	296.0	456.1	383.6
France	603.5	505.5	570.4
Germany, West	279.1	194.8	201.9
Italy	193.9	227.2	190.4
Kuwait	176.9	249.9	360.8
Malaya 1/	378.0	478.0	574.0
Hong Kong	517.6	575.0	677.7
Morocco 2/	959.9	943.0	1,118.7
Others	1,657.9	1,724.5	1,766.8
Total	8,020.6	8,711.0	9,076.0
	1,000 dol.	1,000 dol.	1,000 dol.
Value	31,057	36,804	38,923

1/ Includes Singapore. 2/ Includes Tangier.

Bureau of the Census.

MEXICAN TRADE IN FIRST HALF OF 1959

Mexican imports of baby chicks, tomatoes, and beans in the first half of 1959 were up substantially from the same period of 1958. Other commodities imported in larger quantities were powdered milk, barley, malt, and onions. Imports of corn and tallow, however, declined sharply.

Exports through June 1959 exceeded those a year earlier in the case of cotton, henequen fiber and products, bananas, strawberries, watermelons, cottonseed cake and meal, molasses, and coffee. Exports of oranges, peanuts, fresh and canned pineapples, rice, beef, chickpeas, and melons declined.

MEXICO: Foreign trade in selected agricultural products, January-June 1958 and 1959

Product	Unit	Jan.-June 1958	Jan.-June 1959
IMPORTS			
Milk, powdered	1,000 lb.	9,140	10,251
Baby chicks	1,000 head	476	1,647
Tallow	1,000 lb.	32,130	941
Corn	1,000 bu.	23,243	1,214
Barley	1,000 bu.	794	846
Poultry	1,000 S.T.	14	11
Beans	1,000 lb.	30,547	39,835
Tomatoes	1,000 lb.	710	7,743
Onions	1,000 lb.	44	11,396
Malt	1,000 bu.	74	87
EXPORTS			
Fresh and frozen beef	1,000 lb.	30,860	29,116
Cotton, ginned	Mil. lb.	205	304
Cotton, linters	Mil. lb.	37	45
Henequen, fiber	1,000 lb.	8,739	60,278
Rice, milled	1,000 lb.	15,031	0
Cottonseed cake and meal	1,000 S.T.	21	108
Peanuts, unshelled	1,000 lb.	5,988	2,965
Peanuts, shelled	1,000 lb.	6,259	2,967
Bananas		258	615
Oranges	1,000 lb.	81,030	26,177
Pineapples, fresh	1,000 lb.	34,972	24,416
Pineapples, preserved	1,000 lb.	14,220	9,259
Strawberries, frozen	1,000 lb.	13,320	17,972
Watermelons	1,000 lb.	43,148	56,760
Melons	1,000 lb.	54,778	38,827
Chickpeas	1,000 lb.	15,445	2,895
Molasses, inedible	1,000 gal.	21,386	36,506
Coffee, green	1,000 lb.	113,984	127,053

AUSTRALIA'S WOOL RECEIPTS IN 1958-59 LOWEST IN 10 YEARS

Total receipts from wool sales at Australian auctions in 1958-59 (July-June) were $662 million, compared with $757 million a year earlier. This was the lowest return for the Australian clip since the 1949-50 season, although the quantity sold was a near record.

The decline in value reflects the drop in wool prices between May 1957 and January 1959. Although prices improved during the second half of the season, the average price for grease wool was only 45.3 cents per pound. This was 22 percent below the previous season's average and 38 percent below the 1951-55 average.

Prospects are good for a larger wool check in 1959-60. According to press reports, the auction season opened during the last week of August with prices 10 to 20 percent above the June closing levels.

ARGENTINE MEAT EXPORTS DOWN

Argentina's meat exports have fallen sharply this year from the high levels of 1957 and 1958, primarily because of reduced slaughter.

From January 1 through July 8, 1959, canned meat exports were 58 percent below a year earlier. Chilled beef shipments dropped 33 percent, lamb 28 percent and frozen beef 6 percent. Exports of mutton, however, amounting to 45,000 carcasses, were 73 percent greater than the small exports during the corresponding period of 1957.

Livestock prices rose sharply during January 1959 when the peso was freed from the official parity of 18 to the U. S. $1.00. Prospects for livestock production have improved materially. Producers are holding back animals from slaughter to increase breeding herds and to take advantage of any further increases in livestock values.

Argentina has maintained its beef shipments to the United States in the face of declining shipments to the United Kingdom and other markets. U.S. imports of beef from Argentina in January-June 1959 totaled 89.5 million pounds, or 4 percent more than a year earlier. Imports of canned beef were down sharply, but there was a large increase in imports of salted boneless beef. However, since the United States banned imports of salted boneless beef on May 15, 1959, imports of canned and cured beef are expected to increase substantially.

The Argentine Treasury Department has announced that the 10-percent export retention tax on frozen lamb will be calculated on a single basic price of 28,500 pesos ($337) per ton. Formerly the basic prices ranged from 18,590 to 30,160 pesos ($220 to $357) depending on the quality of the meat. The new index will encourage exports of higher quality lamb. Basic prices for other lamb and mutton items remain unchanged. Exporters are allowed to sell meat products at the highest prices they can get in world markets, but must pay export taxes calculated on the official basic prices.

MEAT: Argentine exports to all countries
January 1-July 8, 1957-59

Item	Unit	January 1-July 8			1959 change from 1958
		1957	1958	1959	
		1,000 pounds	1,000 pounds	1,000 pounds	Percent
Frozen beef	Quarters	665	809	763	-6
Chilled beef	Quarters	2,093	2,291	1,540	-33
Mutton	Carcasses	81	26	45	+73
Lamb	Carcasses	1,590	857	620	-28
Canned meat	Pounds	182,898	182,140	76,215	-58

Review of River Plate.

BEEF: U. S. imports from Argentina,
January 1 - June 30, 1957-59

Type of beef	January 1 - June 30			1959 change from 1958
	1957	1958	1959	
	1,000 pounds	1,000 pounds	1,000 pounds	Percent
Canned	36,934	47,482	22,760	-52
Cured	5,261	3,999	6,332	+58
Salted boneless 1/	2,663	34,288	60,418	+76
Total	44,858	85,769	89,510	+4

1/ Reported as "Other canned or preserved meats". May include some other types.

U. S. Department of Commerce.

SYRIAN SHEEP LOSSES HEAVY; WOOL PRODUCTION DOWN IN 1959

Sheep losses in Syria during the winter of 1958-59 were unusually heavy. It is estimated that about 2.2 million head were lost--one-third of the nation's total flock. Sheep were in very poor condition because of feed shortages resulting from the 1958 drought. The severe winter which followed caused heavy losses from starvation and disease.

Sheep losses caused wool production to decline sharply from 20.7 million pounds, grease basis, in 1958 to an estimated 12.1 million pounds in 1959. Syrian wool is virtually all carpet wool and is shipped primarily to the U.S.S.R. and the United States. Exports are expected to be down substantially this year.

COSTA RICA RAISES DUTY ON LARD AND VEGETABLE SHORTENING

A bill to increase Costa Rica's import duty on lard and vegetable shortening (see Foreign Crops and Markets, July 6, 1959) became effective August 7, 1959.

The duty on these fats was raised from 5.3 cents per pound plus 2 percent ad valorem, to 8.1 cents per pound plus 4 percent ad valorem. On August 1, 1960, the rate automatically becomes 10.9 cents per pound plus 7 percent ad valorem. A year later it will increase to 13.4 cents per pound plus 10 percent ad valorem.

The measure is designed to stimulate domestic production of lard and vegetable shortening. The Netherlands is Costa Rica's principal supplier of lard.

U. S. EXPORTS MORE VARIETY MEAT TO FRANCE

U. S. exports of variety meats to France increased sharply during the first half of 1959. According to French statistics, France took more than 3.3 million pounds of U. S. variety meats from January through June 1959. This was 241 percent above the same period in 1958. Exports to France should increase during the second half of 1959 but will still be limited by French import restrictions.

U. S. variety meat exports to France increased, although, in general, French imports of variety meats declined as a result of increased sales and lower prices on French livestock markets for all types of animals. Retail prices for meats, however, have declined only slightly.

Dry weather throughout France has caused farmers to market unusually large quantities of livestock this summer. Cattle prices fell sharply from about 420 francs per kilo ($22.05 per 100 pounds) in August 1958 for "extra quality cattle" to about 280 francs per kilo ($12.59 per 100 pounds) in August 1959.

As pastures improve, slaughter is expected to slacken and prices to recover during the remainder of 1959. During the first part of this year, the French Government bought and stored substantial quantities of meat as a price-support measure. Price-support operations were halted during mid-August, however, as livestock prices stabilized.

AUSTRALIAN SHEEP EXPORTS RISE

Exports of live sheep from Australia during the year ended June 30, 1959 rose 11 percent from exports a year earlier. Singapore was the major market. Imports by Malaya were also sizeable, and were considerably larger than in 1957-58.

Exports of sheep during the year ending June 30, 1960, are expected to be up sharply. In July 1959, Australia exported about 25,000 head of lambs to the United States. These exports are expected to continue.

Live cattle exports dropped approximately 42 percent from a year earlier. This was due to sharp reductions in imports by the Philippines and Singapore, a strong local market for canned meat, and increased domestic demand for cutter cattle for slaughter and export to the United States. Live cattle exports to Hong Kong, however, rose sharply to over 4,000 head for the 12-month period.

Hog exports at about 900 head remained low. As in previous years, Christmas Island was the largest export market. Australia also exported 300 horses during the 12 months ended June 30, 1959. Singapore took 112, and 60 went to the Philippines (see Foreign Crops and Markets, August 1, 1958).

LIVESTOCK: Australian exports, July-June 1954-55 through 1958-59

Class	1954-55	1955-56	1956-57	1957-58 1/	1958-59 2/
	Head	Head	Head	Head	Head
Cattle and calves....	6,396	8,025	18,360	23,941	13,900
Sheep and lambs......	98,936	101,837	129,840	122,628	135,861
Hogs.................	910	1,066	918	1,030	938

1/ Revised. 2/ Preliminary.

Commonwealth Bureau of Census and Statistics.

POLAND ESTABLISHES
MEATLESS MONDAY

Poland's Ministry of Home Trade has directed a meatless day each week because of short supplies. On Mondays, Polish butcher shops may not sell meat, other than offal, and restaurants and canteens may not serve meat. (Continued on following page)

Beef prices in Poland were increased 26 percent on June 1 in order to reduce consumption. Prices of other foods were reduced. A party leader has said that meat consumption rose 32 percent between 1955 and 1958 and that meat prices were comparatively low.

The shortage of supplies is officially attributed to the improved demand for meat and to a heat wave in June and July which "burned out" thousands of tons of hay. However, meat production in Poland has increased substantially in recent years. This indicates the shortages are primarily due to a temporary lag in slaughter, fixed prices, or a diversion of meat into unauthorized channels.

DROUGHT HURTS TRINIDAD CROPS

Though recent rains have helped, extremely severe drought has substantially damaged crops in Trinidad. The year has been one of the driest recorded for the island in the last century.

Growth of young cane for next year's sugar production has been retarded by the drought, and it is not expected that 1960 sugar output will equal the excellent 1959 outturn, which may total 211,000 short tons--about 4,500 tons more than in 1958.

Next year's citrus crop will also be much smaller, but this year's crop has not been affected. Cacao output is expected to be lower this year, and copra production may be cut by one-third. Next year's copra crop will be much smaller as a result of heavy drought damage. Cacao, coffee, and teak plantations have suffered extensively from bush and forest fires.

FURTHER INCREASE IN INDIAN JUTE MILL ACTIVITY

The Indian Jute Mills Association unsealed another $2\frac{1}{2}$ percent of the looms of member mills, for the period August 24, 1959, through January 2, 1960. This leaves only 10 percent of the looms still sealed during this period. The increase in active loomage followed soon after the unsealing of $1\frac{1}{2}$ percent on June 22 (see Foreign Crops and Markets of August 17, 1959). The larger capacity for production was allowed when increasing foreign demand for jute manufacturers continued to reduce stocks, especially of sacking.

Manufacture of all types of jute goods in India, the world's most important producer was 89,600 long tons in July, compared with 82,700 tons in June. It was the highest since January, when 92,100 tons were produced. The most recent increase in active loomage will probably boost mill output by about 2,000 tons a month. Practically all Indian mills are members of the Mills Association.

MEXICAN CATTLE SLAUGHTER DOWN

Mexican meat production during the first 6 months of 1959 dropped to about 745.7 million pounds from 773.0 million in the same period of 1958. This reduction was the result of lower cattle and hog slaughter.

Sheep and goat slaughter is thought to have remained substantially level, while horse slaughter rose.

LIVESTOCK AND MEAT: Mexico, estimated slaughter and production, January-June 1956-59

Jan.-June	Cattle	Sheep	Swine	Goat	Horses	Meat 1/
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	Million pounds
1956	1,360	425	1,432	310	17	656.4
1957	1,467	453	1,522	300	20	700.6
1958	1,587	490	1,550	300	41	773.0
1959	1,541	490	1,460	300	45	745.7

1/ Includes horsemeat.

Exports of beef cattle and meat to the United States dropped sharply during the second quarter of 1959 after export quotas went into effect May 1 (see Foreign Crops and Markets, May 25, 1959). About 276,000 cattle were exported during the first half of the year; exports are not expected to exceed 220,000 head during the second half.

About 29.1 million pounds of beef were exported to the United States during the 6-month period. This was about 6 percent below last year. Another 16.3 million pounds are expected to be exported during the remainder of the year.

Horsemeat exports to the United States, at 5.6 million pounds during January-June 1959, were 56 percent above a year earlier. Exports in the second half of the year will probably drop to about 3.3 million pounds.

Mexican imports of U. S. tallow dropped to less than 1 million pounds. This sharp decline was due to tight import restrictions imposed to protect fat and oil producers.

Imports of U. S. lard were also down. At 3.2 million pounds during the first half of 1959, they were 49 percent below a year earlier. Depleted domestic lard stocks are expected to raise prices and increase imports during the second half of the year.

JAPAN AUTHORIZES PURCHASE OF RUSSIAN WHEAT

The Japanese Food Agency on July authorized the purchase of 7,500 metric tons (275,000 bushels) of Russian wheat at $59.00 f.o.b. per metric ton ($1.61 per bushel). The c. f. price for the purchase was reported as $66.51 per ton ($1.81 per bushel) and the Food Agency's purchase price to the Japanese importer $72.19 per ton ($1.96 per bushel).

Local trade sources indicated that an important factor in the Food Agency's decision to authorize the purchase from the U.S.S.R. was Japan's unfavorable balance of trade with Canada.

PROGRESS OF CUBAN SUGAR CAMPAIGN THROUGH JULY

The Cuban Sugar Stabilization Institute reports that 1959 season exports of Cuban sugar through July 31 were the equivalent of 3,230,000 short tons, raw value.

Exports included 2,249,000 tons to the United States and 981,000 to other countries. During the comparable period of the 1958 season, 4,146,000 tons were exported, of which 2,347,000 went to the United States and 1,799,000 to other countries.

Comparing the 1958 and 1959 seasons through July 31, exports to the United States this year declined only 98,000 tons, but to other countries 818,000 tons. The largest declines were in exports to the United Kingdom, Japan, and the Netherlands. These reductions accounted for about 430,000 tons of the total decline. Exports to West Germany increased by over 100,000 tons, alleviating Cuba's marketing situation somewhat.

On August 12, 1959, it was announced that the Cuban Stabilization Institute had sold the equivalent of about 190,000 short tons to the U.S.S.R., to be delivered between August and November. (This sale is not included in the accompanying table.)

Stocks on January 1, 1959, were 601,000 tons, substantially below the 771,000 tons of a year earlier. During the first 7 months of 1959, Cuba produced 6,573,000 short tons, or 204,000 tons more than in the same period of 1958. Allocated to local consumption for the 7-month period this year were 221,000 tons, an increase of 44,000 tons over the same period last year.

As of July 31 this year, Cuba had 2,723,000 tons of unsold sugar, against 2,817,000 tons on the same date in 1958.

SUGAR: Cuban supply and distribution, January-July 1958 and 1959

Item	January 1-July 31	
	1958	1959
	1,000 short tons	1,000 short tons
Stocks January 1	771	601
Production	6,369	6,573
Total supply	7,140	7,174
Domestic consumption	177	221
Exports:		
United States	2,347	2,249
Other countries	1,799	981
Total exports	4,146	3,230
Left for sale July 31	2,817	3,723

Adapted from report of Instituto Cubano de Estabilizacion del Azucar.

FRENCH WHEAT AND FLOUR EXPORTS DROP 54 PERCENT BELOW 1957-58

French wheat and flour exports during July-June 1958-59 were 1,047,000 metric tons (38 million bushels), approximately 54 percent below 1957-58 exports of 2,269,000 tons (83 million bushels). Adverse weather during the 1958 harvest reduced exportable supplies.

Most French wheat exports (in grain) go to Western Europe. Exports to West Germany, the United Kingdom, and the Netherlands in 1958-59 were about 71 percent below shipments a year earlier. Sales to Norway, Portugal, and Switzerland were also down sharply; Czechoslovakia and Pakistan took none at all, compared with 12,000 and 50,000 metric tons, respectively, in 1957-58. But exports to French West Africa and Algeria increased considerably.

Ceylon took 18 percent of French flour exports in 1957-58, but none in 1958-59. There were also sizable reduction in 1958-59 shipments to Egypt, Malaya, Singapore, Indonesia, and Portuguese Africa. However, flour exports to Sudan, the United Kingdom, and French Equatorial Africa were substantially larger than a year earlier.

Dry weather during the 1959 harvest did less damage than was expected. In most cases, the heads were well filled out before the drought became acute. As a result, exportable supplies may be somewhat higher during 1959-60 than last season, but exports will probably not reach the 1957-58 level. (Table follows)

WHEAT AND FLOUR: French exports by country of destination, July-June 1957-58 and July-June 1958-59

Country of destination	July-June 1957-58			July-June 1958-59		
	Wheat	Flour	Total	Wheat	Flour	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
Western Hemisphere:						
French West Indies	39,656	49,551	89,207	—	47,568	47,568
French Guiana	—	2,396	2,396	—	2,682	2,682
Others	112	278	390	—	25,474	25,474
Total	39,768	52,225	91,993	—	75,724	75,724
Europe:						
Belgium-Luxembourg	1,445	7,986	9,431	195	3,029	3,224
Czechoslovakia	11,570	—	11,570	—	—	—
Denmark	18,416	—	18,416	16,946	—	16,946
Germany, West	531,084	—	531,084	265,827	—	265,827
Netherlands	100,639	2,796	103,435	20,327	4,812	25,139
Norway	34,373	—	34,373	1,659	—	1,659
Portugal	37,255	—	37,255	9,904	—	9,904
Sweden	19,818	—	19,818	238	—	238
Switzerland	29,774	4,232	34,006	13,644	1,890	15,534
United Kingdom	720,269	7,820	728,089	106,812	21,010	127,822
Others	8,407	—	8,407	2,990	—	2,990
Total	1,513,050	22,834	1,535,884	438,542	30,741	469,283
Asia:						
Ceylon	—	105,140	105,140	—	—	—
Indonesia	—	67,147	67,147	—	50,855	50,855
Lebanon	—	15,642	15,642	1,168	17,090	18,258
Malaya & Singapore	—	24,916	24,916	—	10,630	10,630
Pakistan	49,554	—	49,554	—	—	—
Others	1,040	2,993	4,033	—	5,577	5,577
Total	50,594	215,838	266,432	1,168	84,152	85,320
Africa:						
Algeria	20,234	2,668	22,902	54,001	2,670	56,671
Egypt	—	141,335	141,335	—	2,522	2,522
French Equatorial Africa	1,000	7,391	8,391	—	14,557	14,557
French West Africa	66,565	23,496	90,061	110,417	27,876	138,293
Madagascar	—	29,792	29,792	—	34,695	34,695
French Africa, n.e.c.	—	15,650	15,650	—	13,961	13,961
Libya	—	5,604	5,604	—	2,644	2,644
Morocco (including Tangier)	—	29,803	29,803	—	27,286	27,286
Portuguese Africa	2,082	19,954	22,036	—	12,251	12,251
Sudan	—	417	417	—	87,853	87,853
Others	—	2,640	2,640	—	5,082	5,082
Total	89,881	278,750	368,631	164,418	231,397	395,815
French Oceania	—	3,036	3,036	—	16,048	16,048
Unspecified	242	2,516	2,758	2,869	1,893	4,762
World total	1,693,535	575,199	2,268,734	606,997	439,955	1,046,952
Equivalent 1,000 bu.	62,226	21,135	83,361	22,303	16,165	38,468

PANAMA PRICE SUPPORT FOR CORN AND RICE

Panama's 1959 producer price support for corn is \$3.50 per Spanish quintal of 100 pounds (\$1.96 per bushel) shelled and delivered f.o.b. IFE (Institute of National Economic Development) silos in Panama City, or \$3.00 per quintal (\$1.68 per bushel) f.o.b. interior collecting points. The support price for rice is \$6.00 per quintal (\$6.00 per 100 pounds) for long grain and \$5.00 per quintal (\$5.00 per 100 pounds) for short grain, with no reference to quality or delivery point.

These are floor prices at which IFE, a government agency, buys corn and rice for resale if private traders are unable to maintain producer prices at the indicated levels. Rice and corn are the most important grains grown in Panama. IFE's objective is to stimulate production and stabilize prices.

YUGOSLAVIA SETS 1960 GUARANTEED GRAIN PRICES

Yugoslavia's guaranteed prices for 1960 grain crops have been fixed in dinars per kilo (dollar per bushel equivalents shown in parentheses) as follows: wheat, 36 (\$1.55); rye, 33 (\$1.33); corn, 31 (\$1.25); oats, 31 (\$0.71; and barley 31 (\$1.07). These are the same prices as for the 1958 and 1959 crops. Conversions to dollar equivalents are on the basis of 632 dinars to the dollar.

The government guarantees to pay these prices for all grains held at the end of the marketing season by general agricultural cooperatives, state farms, and collectives. The prices are for grain of a standard weight per hectoliter, containing no more than 2 percent foreign matter and 13 percent moisture, and delivered f.o.b. railway car, warehouse and mill storage. There are premiums and discounts for grain varying from the standard.

Actual prices paid to private growers will be several dinars per kilo lower for each grain. The cooperatives are the sole legal buyers from private growers, although some inter-peasant trading is permitted. The reduction in purchase price to private growers amounts to 4 dinars per kilo and consists of an allowance of 1½ dinars per kilo to cooperatives for operating expenses and a levy of 2½ dinars per kilo on growers for the agricultural development fund.

Government policy is to expand grain production, especially wheat and corn, through better seed and cultivation. A 5-year (1957-61) goal was established several years ago. Compared with average production for 1951-55, shown in parentheses, the 1961 goal is 3,500,000 metric tons (2,311,000) for breadgrains (mainly wheat) and 5,500,000 tons (3,251,000) for corn. Almost all of the increase is to be from larger yields per acre. No specific goals have been set for other grains.

The wheat goal will be exceeded for the first time this year. The corn goal was exceeded in 1957 and will be exceeded again this year. This year's wheat crop is now estimated at slightly over 4.0 million tons, and the corn crop at 7.0 million tons.

BUMPER HOPS CROP EXPECTED IN WEST GERMANY

The 1959 hops crop in West Germany is unofficially estimated at 380,000 to 400,000 centners (42.0 to 44.0 million pounds), an alltime record. The previous record was 357,000 centners (39.4 million pounds) in 1953.

Despite removal of acreage restrictions, this year's producing area was only moderately increased. It totaled 9,000 hectares (22,200 acres), an increase of 200 hectares (490 acres) from 1958. The quality of the new crop is reported as good. Harvesting in the Hallertau region began on August 24.

The September 1 carryover of German breweries is reported as relatively high--50,000 to 80,000 centners (5.5 to 8.8 million pounds). Carryover in other hands, mostly the Hops Growers Cooperatives, is placed at only 8,000 centners (88,000 pounds).

Purchases of 1959 hops by the breweries are expected to range between 240,000 and 250,000 centners (26.5 to 27.6 million pounds). Actual requirements for an estimated production of 48 million hectoliters of beer are placed at 200,000 centners (22.0 million pounds).

With a bumper crop in sight and the fairly large reserves held by breweries, the 1959-60 market is expected to be a buyers' market. Brewers have already purchased about 80,000 centners (8.8 million pounds) on advance contracts. Until a few months ago, such contracts were being concluded at DM 250 centner (54.3 cents per pound). But buying interest declined with confirmation of a bumper crop. Trade sources report that the market will open at DM 200 to 230 per centner (43.4 to 49.9 cents per pound), a price that would barely cover production costs.

The 1959-60 outlook in general is for a slowly developing market, substantial purchases by German breweries for reserve coverage if prices are favorable, and increased exports and shipments to East Germany. The 1959-60 exports are currently expected to reach 120,000 centners (13.2 million pounds). In addition, shipments to East Germany are expected to come to 15,000 centners (1.7 million pounds).

Total imports in 1959-60 will probably not exceed 20,000 centners (2.2 million pounds), mainly from the United States. The volume actually imported from the United States will depend on price and quality. U.S. hops are bought for their higher degree of bitterness and for mixing with German hops, especially by export breweries. U.S. hops must be in good condition and seedless in order to suit German brewers.

During the first 10 months (September-June) of the 1958-59 season, U.S. exports to Germany totaled 2,070,000 pounds, compared with 1,852,000 pounds during all of 1957-58.

CANADA HARVESTING SLIGHTLY LARGER GRAIN CROP

Canada's first forecast of the 1959 grain crop indicates a slightly larger total harvest than the small 1958 outturn.

Wheat production is tentatively forecast at 405 million bushels, compared with 372 million a year ago. Barley production of 227 million is 18 million bushels smaller than last year, but the decline is offset by an increase in oats--421 million bushels, compared with 401 million in 1958. Rye production, as forecast at 8.2 million bushels is about the same as the 1958 crop. Further details will be available in Foreign Crops and Markets, September 14.

RICE ACREAGE DECLINING IN BELGIAN CONGO

Rice cultivation in the Belgian Congo has been declining in recent years. Since most of the rice produced is upland variety, the yield per acre is low and crops often fail as a result of drought or heat. Consequently, more profitable crops have been replacing rice.

In 1958 only 405,000 acres were planted to rice, compared with an average of 416,000 from 1950-51 through 1954-55. Although rice acreage has declined, production has increased. In 1958, 396.8 million pounds of rough rice were harvested, 13 million pounds above the 5-year average of 383.2 million pounds. This was due to better selection of seed, breeding, and improved cultivation.

Exports of rice in 1958, at 1,257 tons, were 32 percent below the 1,863 tons exported in 1957. French Equatorial Africa was the principal market, taking 1,130 tons in 1958 and 1,861 tons in 1957. Small quantities of the 1958 exports went to French Cameroun (49 tons), Angola (41 tons), and the Federation of Rhodesia and Nyasaland (15 tons).

Imports in 1958 totaled 167 metric tons of polished rice, mostly for the European population. Belgium supplied 50 percent and the United States 34 percent.

U.K. IMPORTS OF RUSSIAN GRAIN INCREASE

During the first 11 months (July-May) of 1958-59, United Kingdom imports of Russian wheat totaled 127,000 long tons, compared with 54,000 tons during all of 1957-58.

In mid-August, Russian wheat was being offered in the United Kingdom at £ 23 10s. per long ton ($1.49 per bushel) at any position.

The 5-year Anglo-Soviet trade agreement signed in Moscow on May 24, 1959, includes among its objectives an increase in the total volume of British imports of Russian goods, including grain.

BRAZIL BUYS U. S. BEANS

Due to severe drought in the bean area of northeastern Brazil in 1958, and in central Brazil in 1959, bean supplies are short. July retail prices in Rio de Janeiro were 44 cruzeiros per kilogram (15 cents per pound), which was triple the price 3 months earlier.

To help stabilize the situation, the Brazilian Government recently purchased 4,250 tons of CCC-stock small red U. S. beans. This purchase probably will not be sufficient, judging by the latest unofficial estimate of the 1959 crop. This estimate, 1,186,000 tons, is 20 percent below last year's crop, as well as the average of the previous 5 years.

Brazil's normal consumption of beans about equals its production. This year's crop, as estimated, will mean a 300,000-ton shortage.

INDIA REVISES 1959 WHEAT ESTIMATES

India's record 1959 wheat crop is now estimated at 362 million bushels, compared with the previous record of 348 million in 1957. The current estimate is 25 percent above last year's outturn of 289 million bushels.

Both acreage and yields were well above the 1958 level. Favorable weather resulted in yields now estimated at 11.7 bushels per acre, compared with 9.9 bushels a year ago. Latest estimates place the 1959 acreage at 30,966,000 acres, compared with 29,300,000 in 1958.

U.S.S.R. VEGETABLE OIL OUTPUT DOWN IN 1958

Production of vegetable oils in the U.S.S.R. in 1958 was 14 percent below the record output of 1957. However, 1958 production was still 80 percent above that of 1950, the year that Russian output recovered to a prewar level. Sunflower seed oil, the major edible oil produced in the Soviet Union, off 21 percent while cottonseed oil, next in volume, was down only 9 percent.

Edible oils make up the bulk of the vegetable oils produced in the Soviet Union. Sunflower seed oil and cottonseed oil together comprised about 70 percent of all the vegetable oils produced in 1958. Both soybean and peanut oils, the less important of the edible oils, have been produced in smaller volume in recent years; but in 1958 soybean oil output increased nearly 10 percent.

Production of linseed oil, the major industrial oil produced in the U.S.S.R. in 1958, again increased substantially, being nearly one-fourth greater than in 1957.

VEGETABLE OILS: U.S.S.R. production by kind and total, annual, selected years, 1940-58

Year	Sunflower seed oil	Cottonseed oil	Soybean oil	Peanut oil	Rapeseed oil	Mustard seed oil	Linseed oil	Hempseed oil	Castor oil	Cameline seed oil	Tung oil	Other	Total
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
1940	384.5	264.3	7.9	---	17.6	6.3	64.9		47.0	---	0.1	8.8	801.4
1945	195.1	66.1	5.0	---	---	2.1	9.8		2.8	---	---	1.3	282.2
1946	196.1	112.7	14.1	---	---	1.9	7.9		1.7	---	0.3	2.4	337.1
1948	306.4	173.1	48.0	---	7.5	5.2	8.6	.7	3.7	4.5	---	6.9	564.6
1949	418.1	207.0	75.6	---	2.9	3.1	20.8	1.3	8.5	4.0	---	8.3	749.6
1950	449.3	239.3	76.2	11.6	14.4	4.7	31.0	3.9	12.7	6.4	0.7	10.8	861.0
1951	460.7	318.6	92.6	21.8	10.3	8.6	22.0		14.7	4.9	0.3	14.6	969.1
1952	462.3	373.3	82.0	60.3	10.8	6.6	21.8	3.5	11.8	1.7	0.6	25.7	1,060.4
1953	566.9	389.0	77.6	73.1	13.2	7.4	29.2	5.5	26.1	5.4	0.7	38.4	1,232.5
1954	710.3	383.6	88.7	65.3	3.9	9.1	26.3		26.5	15.7	0.8	36.7	1,366.9
1955	543.7	416.6	84.9	73.5	18.3	7.4	27.9	3.0	22.2	14.7	1.0	26.0	1,239.2
1956	988.8	378.4	86.0	51.8	4.2	13.4	44.3	2.6	14.7	12.0	0.9	25.0	1,622.1
1/1957	884.0	436.8	84.0	26.0	11.0	14.1	89.3	3.9	2.5	21.8	0.9	260.0	1,834.3
2/1958	695.0	395.8	91.7	3/	3/	10.3	109.0	3/	3/	3/	3/	267.9	1,569.7

1/ Revised.
2/ Preliminary.
3/ Included in Other.

Source: Masloboino Zhirovaya Promyshlennost (Oil and Fat Industry), No. 10, 1957, No. 6, 1959 (Moscow).

CANADA CARRIES OVER SMALLER GRAIN STOCKS

Total stocks of Canada's 4 major grains carried over into the 1959-60 season were smaller than last year's carryover because of substantially reduced stocks of wheat, oats, and rye. Barley stocks were somewhat larger than the carryover on August 1, 1958.

Total stocks of wheat in all positions on August 1 were estimated at 546.3 million bushels, 15 percent below the 1958 carryover and 25 percent below the record carryover in 1957. An estimated 130 million bushels of this year's total were held on farms. This is sharply below the farm stocks of 232 million on August 1, 1958.

Stocks of oats on August 1 were 119.3 million bushels--23 percent smaller than at the beginning of 1958-59. Farm stocks were estimated at 80 million bushels, about average but well below the 108 million in that position a year earlier. Barley carryover of 127.1 million bushels was 8 percent larger than the stocks held August 1, 1959, and 41 percent above the 10-year average, 1949-58.

Rye stocks at the beginning of the new crop year were 7.9 million bushels--down 22 percent from the 10.1 million carried over a year ago and 40 percent less than the 1949-58 average of 13.0 million.

GRAIN: Canadian carryover stocks, August 1, 1959, with comparisons

Position	Wheat	Oats 1/	Barley	Rye
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
On farms	130,000	80,000	57,000	3,440
Country elevators 2/	251,228	27,241	49,895	1,929
Interior private and mill elevators	7,262	744	2,083	28
Interior terminal elevators	13,347	153	268	---
Pacific Coast terminals	9,906	287	1,940	---
Churchill elevators	4,593	40	---	---
Fort William-Port Arthur elevators	46,383	4,795	11,316	845
In transit--lake	9,760	1,341	729	975
In transit--rail	15,046	2,047	1,051	461
Eastern elevators	56,215	2,407	2,845	210
Eastern mills (mill bins only)	2,234	220	4	---
Western mills (mill bins only)	165	11	2	1
Total 3/	546,298	119,286	127,132	7,890
Total August 1, 1958 3/ 4/	639,454	154,916	118,165	10,062
Average August 1, 1949-58 4/	410,817	116,333	90,398	13,007

1/ In bushels of 34 pounds. 2/ Subject to revision. 3/ Includes minor quantities of grain stored in the United States. 4/ Revised.

Dominion Bureau of Statistics.

CANADIAN POTATO CROP SHORT

Canada's 1959 potato crop is estimated at 33.8 million hundredweight, compared with 39.4 million last year. The 1950-54 average was 39.1 million hundredweight.

WEST GERMANY LIKELY TO IMPORT MORE COTTON IN 1959-60

Recent improvements in the rate of cotton consumption, lower cotton prices, and the reduced carryover of cotton at the end of 1958-59 point to larger cotton imports into West Germany during the 1959-60 season (August-July).

Now that U.S. cotton is again priced competitively, the long-standing preference for this growth by West German spinners makes prospects favorable for a considerable increase in imports from the United States this season compared with 1958-59.

Cotton imports into West Germany during August-May 1958-59 totaled 940,000 bales (500 pounds gross)--down 26 percent from the same months in 1957-58. Imports of U.S. cotton dropped to 148,000 bales or 16 percent of the total, against 659,000 bales or 52 percent in the first 10 months of 1957-58. The sharp reduction in imports from the United States was partly offset by larger shipments of lower-priced cotton from most other major suppliers.

Principal sources of the August-May imports, with comparable 1957-58 figures in parentheses, were: Mexico 208,000 bales (140,000); United States 148,000 (659,000); British East Africa 119,000 (94,000); Peru 78,000 (54,000); Nicaragua 71,000 (38,000); Turkey 59,000 (24,000); Sudan 42,000 (43,000); Egypt 41,000 (34,000); U.S.S.R. 40,000 (44,000); and Belgian Congo 39,000 (13,000).

Cotton consumption of 1,015,000 bales during August-April 1958-59 was down 9 percent from a year earlier. However, the textile situation in West Germany, as in most other cotton importing countries, has improved since the spring of 1959 and further improvement is expected this season.

By the end of 1958-59 (July 31) cotton stocks had dropped to an estimated 210,000 bales. This was only slightly more than half the beginning stocks of 400,000 bales.

Prices of U. S. cotton for prompt shipment declined by about 2½ cents a pound on the Bremen market during August, reflecting adjustments made possible by the increase in the payment-in-kind rate for export and the lower domestic price-support rate. Prices of other growths remained fairly steady. As a result, price advantages of foreign growths over U. S. cotton that existed during 1958-59 narrowed substantially.

BRAZIL'S 1958-59 COTTON CROP NEAR 1957-58 LEVEL; EXPORTS DECLINE

Brazil's 1958-59 cotton crop is now estimated at slightly more than the 1,350,000 bales (500 pounds gross) grown in 1957-58. The drought-stricken north Brazilian crop was offset by south Brazil's larger crop.

Total area planted to cotton in 1958-59 was estimated at 4,000,000 acres, compared with 3,700,000 in 1957-58. This 8-percent expansion took place in south Brazil following an increase in guaranteed minimum prices to producers. Acreage in north Brazil does not change much from year to year since most of that area's cotton is perennial type.

Although it is too early to estimate the 1959-60 crop in south Brazil, some sources indicate acreage may be as much as 20 percent larger than in 1958-59. Contributing factors include the more satisfactory minimum prices to producers, expanded production credit, and government policies to stimulate exports.

The 1959-60 crop now being harvested in northeast Brazil is estimated at around 475,000 bales. The more favorable crop conditions this season point to a total crop from all northern Brazil areas of around 575,000 bales.

The downtrend in Brazil's cotton exports continued during 1958-59. Preliminary statistics show exports of 167,000 bales during the first 11 months (August-June) of 1958-59, a decline of 15 percent from a year earlier. Practically all of the decline was in exports to Japan--the largest market for Brazilian cotton in recent years. Exports to most other major buyers increased.

Principal destinations of the August-June exports, with comparable 1957-58 figures in parentheses, were: Japan 55,000 bales (94,000); West Germany 41,000 (29,000); United Kingdom 27,000 (14,000); Hong Kong 11,000 (9,000); France 8,000 (15,000); Netherlands 7,000 (2,000); Italy 5,000 (2,000); Belgium 4,000 (101); and Sweden 4,000 (2,000).

Since late April the government has authorized exports of about 310,000 bales of 1958-59 crop south Brazilian cotton at the free rate of exchange (currently around 150 cruzeiros to the dollar). Sales in non-convertible currencies were restricted to Japan, Uruguay, Chile, and Argentina. Sales to all other countries were for dollars or other convertible currencies. In addition to these authorized exports, approximately 160,000 bales of cotton from the 1959-60 north Brazilian crop have been authorized for export at the free exchange rate.

Brazilian cotton consumption in 1958-59 is estimated at 1,050,000 bales, the same as in 1957-58. End-season stocks on July 31, 1959, were estimated at 700,000 bales--up 17 percent from beginning stocks of 600,000 bales.

CANADA'S FLAXSEED PRODUCTION DOWN

Canada's 1959 flaxseed crop is placed at 21,574,000 bushels, according to the first production forecast of the Dominion Bureau of Statistics. This represents an average yield of 9 bushels per acre on 2,391,200 planted acres (first estimate--see Foreign Crops and Markets, August 31, 1959).

A crop of this volume would be 5 percent less than 1958 production but over 50 percent greater than the 1948-57 average. The revised estimate for 1958 is 22,766,000 bushels from 2,622,700 acres, with an average yield of 8.7 bushels per acre.

SUEZ CANAL SOYBEAN SHIPMENTS AGAIN LARGE IN MAY

May oilseed shipments northward through the Suez Canal were about one-third above May shipments of 1958 and were almost 10 percent above the previous month (see Foreign Crops and Markets, August 17, 1959). Large shipments of soybeans continue to more than offset reduced shipments of copra. May shipments of peanuts and cottonseed were also up sharply.

In the first 8 months of the current marketing year northbound soybean shipments were more than double shipments in October-May of 1957-58, indicating an increased movement of supplies which normally might have been marketed in Japan had there not been the break in trade relations between Communist China and Japan. Northbound cottonseed and peanut shipments have also been larger this year; but because of the sharp reduction in copra, total oilseed shipments for October-May 1958-59 are only 10 percent above 1957-58.

OILSEEDS: Northbound shipments, Suez Canal May 1958 and 1959
October-May 1957-58 and 1958-59

Item	May		October-May	
	1958	1959	1957-58	1958-59
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Soybeans 1/	38.6	83.8	265.7	605.2
Copra	47.4	27.6	596.3	339.5
Peanuts	7.7	20.9	116.8	124.6
Cottonseed	11.0	22.0	88.2	104.7
Flaxseed 2/	4.4	3.3	32.0	19.8
Others	20.9	25.4	142.2	162.0
Total	130.0	183.0	1,241.2	1,355.8

1/ 33.3 bushels per ton. 2/ 37.5 bushels per ton.

Suez Canal Authority, *Monthly Bulletin* (Cairo, Egypt).

UNITED STATES DEPARTMENT OF AGRICULTURE

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CANADA ANNOUNCES DEFICIENCY PAYMENTS PLAN TO SUPPORT EGG PRICES

Beginning October 1, 1959, the Canadian Government will replace the egg purchase support program with one of deficiency payments to egg producers, the Agricultural Stabilization Board announced August 26, 1959. The purchase program will be discontinued September 30.

Under the new program, payments will be made to any producer, registered by the Board, who markets eggs through official grading stations. Eligibility will be limited to one person for each farm and all sales from that flock must be made in the name of that person. Payments to each producer will be limited to a maximum of 4,000 dozen Grade A Large or Extra-large in any 12-month period.

A national average price received by producers for Grade A Large size eggs at registered egg-grading stations will be used to determine whether a deficiency payment is required and, if so, the rate of such payment per dozen eggs. It was announced on May 7 that the existing (support) price basis of 44 cents a dozen for Canadian Grade A Large eggs, delivered to Montreal, would continue in effect until May 5, 1960. The support level after that date is not known. The rate of payment will be uniform to producers in all parts of Canada, regardless of the price they receive in the market.

If deficiency payments are necessary to support average prices at the prescribed level, it is proposed that they be made on an annual basis. Consideration will, however, be given to interim payments for the period October-December 1959, if the average producer-price falls substantially below the prescribed level during that period.